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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/709,707

05/24/2004

Tracey R. Thomas

03292.101970.5

3706

66569 7590 01/26/2009
FITZPATRICK CELLA (AMEX)
30 ROCKEFELLER PLAZA
NEW YORK, NY 10112

EXAMINER

SCARITO, JOHN D

ART UNIT

PAPER NUMBER

3696

MAIL DATE

DELIVERY MODE

01/26/2009

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/709,707	Applicant(s) THOMAS, TRACEY R.	
	Examiner John D. Scarito	Art Unit 3696	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 24 October 2008.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-7,9 and 11-15 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-7, 9 & 11-15 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 10/24/2008 has been entered.

The following is Examiner's response to Applicant's amendment dated 10/24/2008 stemming from Examiner's Final Office Action dated 04/24/2008.

Status of the Claims

As per Applicant's response, Examiner acknowledges that Applicant (1) amended Claim 1 and (2) added new Claims 14 & 15. Despite Claims 2-7, 9 & 11-13 being previously presented, said Claims depend on amended Claim 1. As such, Claims 1-7, 9 & 11-15 are currently pending.

Response to Remarks/Arguments

Statutory Grounds of Rejection

The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

Claim Rejections - 35 USC § 103

Claim 1 was rejected under 35 U.S.C. 103(a) as being unpatentable over VanLeeuwen [2002/0123949] in view of Davis [2004/0193491]; Claims 2-7 were rejected under 35 U.S.C.

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103(a) as being unpatentable over VanLeeuwen [2002/0123949] in view of Davis [2004/0193491], as applied in Claim 1, and further in view of Ogilvie [6,631,358]; Claims 9, 11 & 12 were rejected under 35 U.S.C. 103(a) as being unpatentable over VanLeeuwen [2002/0123949] in view of Davis [2004/0193491], as applied in Claim 1, and further in view of Postrel (6,594,640); and Claim 13 was rejected under 35 U.S.C. 103(a) as being unpatentable over VanLeeuwen [2002/0123949] in view of Davis [2004/0193491], as applied in Claim 1, and further in view of Brose [2005/0004856].

Applicant's arguments have been fully considered but they are not persuasive.

First, Applicant states that he/she has "amended claim 1 to even further clarify differences between the claim[ed] invention and cited references" [Applicant's Response, page 6, lines 21-23]. Here, Applicant does not explicitly controvert Examiner's previous rejection/rationales, but merely states "Assuming, arguendo, that VanLeeuwen discloses [providing at least one recommendation that includes suggestions for minimizing user debt payments and maximizing user savings] VanLeeuwen does not specifically disclose providing a recommendation that includes paying less than the current bill on a debt, as recited in amended independent claim 1" [see Applicant's Response, page 7, lines 2-8, i.e. arguing his amended language].

Aside: Examiner notes that Claim 1's cancelled language "suggestions for minimizing user debt payments and maximizing user savings" was adopted in Applicant's new Claim 15. As such, Examiner's previous logic and evidence stands with regard to this limitation (i.e. not currently argued).

Here, Applicant alleges that VanLeeuwen "appears to suggest that the current bill is paid in full" [Applicant's Response, page 7, line 9, e.g. paying the full outstanding balance in lieu of a minimum amount or less than the total outstanding balance]. Examiner

respectfully argues that this conclusion is in clear error. VanLeeuwen teaches a method for “analyzing a user’s finances and providing a plan for debt reduction” [paragraph 8]. Here, VanLeeuwen discloses “determining a financial debt that should be *paid down* first to reduce a person's overall financial debt” [paragraph 11, emphasis added, i.e. paid down versus paid off]. VanLeeuwen specifically contemplates “what-if calculations [which] allow the user to apply *varying payment amounts and power payments* to different debts to determine what the outcome would be” [paragraph 24, emphasis added]. Applicant’s attempt to distinguish between credit card debt and ordinary debt is unpersuasive. [Applicant’s Response, page 7, lines 11-14, i.e. debt is debt]. As appreciated by Applicant [Applicant’s Response, page 7, line 10-12], VanLeeuwen teaches that the payment amount can be “the minimum payment” but “[i]t is more helpful to have the system calculate the payment” [see paragraph 45]. Although it is possible that the system may calculate the payment as a payoff payment (i.e. most beneficial to user to avoid interest costs, etc.) and that VanLeeuwen seeks to ultimately pay off debt (i.e. debt reduction), Applicant’s interpretation that “the current bill is paid in full” is unjustified.

Next, Applicant points Examiner to VanLeeuwen, paragraphs 85-88, to support Applicant's contention that "only 'after a user's debts are paid off...payments can be applied to a retirement or other future planning" [Applicant's Response, page 7, lines 22-24, i.e. alleging that money is not paid to oneself if debt exists]. Here, Applicant's arguments have been fully considered but are moot in view of the new ground(s) of rejection/rationales that follow.

Response to Amendments

Minor Claim Objections

Claims 1 & 14 are objected to because of the following informalities:

1. As per Claim 1, "the current bill" lacks antecedent basis. Next, "a user savings account" and "payees" of the preamble appears integral to Applicant's claim. Examiner suggests incorporating the limitations into the body of the claim.
2. As per Claim 14, "loyalty points" already holds antecedent basis in Claim 1. Examiner suggests "less than the currently billed amount ~~full amount of a bill~~ on said [[a]] debt" in line with Examiner's discussion of Claim 1 below.

Appropriate correction is required.

Claim Rejections - 35 USC § 112

Claims 1-7, 9, & 11-15 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

As per Claims 1, Examiner questions whether Applicant, in view of added Claim 14, intended to indicate "paying less than ~~the~~ a currently billed amount on a debt". Next, Examiner cautions Applicant in his/her continued use of "at least one". Here, Applicant's second limitation could be satisfied by only receiving one of : (1) user income information, (2) user income source information, (3) user debt information OR (4) user goal information. (i.e. if receipt of "user income source information" is chosen, Applicant's third and fifth claim limitations become ambiguous, e.g. user income

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information was not received). Next, Examiner questions to which instance of "user income" "said user income" of Applicant's transferring step refers (i.e. user income information related to user income, acquiring user income, etc).

As per Claim 14, Applicant uses inconsistent phraseology (i.e. "when less than the full amount of a bill on a debt is paid" versus "paying less than the current bill on a debt"). Examiner questions whether Applicant is particularly claiming the instance of Claim 1 where "at least one of" "providing loyalty points" is to "said user" or whether Applicant is attempting to claim an additional instance where "said user" is provided loyalty points. For purposes of examination, Examiner will assume the former. Examiner asks that Applicant clarify, with support from his/her Specification, what "the full amount of a bill" and "the current bill" represent (i.e. Could the bill/invoice be for just a minimum amount and 'the full amount' would be payment of said minimum amount? OR Is the bill/invoice for the total outstanding balance and 'the full amount' would be payment of said total outstanding balance? In this vein, is 'the current bill' for a minimum amount or a total outstanding balance?). For purposes of examination, Examiner will assume that "the current bill" refers to the total outstanding balance and "less than the full amount of a bill" is any payment less than the total outstanding balance including a minimum payment.

As per Claim 15, Examiner points Applicant to similar issues as discussed in Claim 1 above. Next, Applicant introduces two instances of "at least one user identified bill". Examiner questions whether these are the same or different bills. Next, "a portion" already holds antecedent basis in Applicant's transferring step. In this vein, Applicant's

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transferring step states "transferring...to at least one of said user savings account and said payees". Applicant's claim does not positively require transfer to said user savings account (i.e. Examiner could interpret that transfer occurs solely to "said payees" to satisfy the claim limitation).

As per Claims 2-7, 9, & 11-13, said claims are rejected due to their dependence on a rejected claim.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claim 1-7, 9, & 11-15 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Here, the state of the law with respect to statutory subject matter eligibility under §101 is evolving. In view of *In re Bilski*, ___ F.3d ___ (Fed. Cir. 2008)(en banc, decided 10/30/2008), process claims must involve either (1) a transformation of a particular article to a different state or thing or (2) a particular machine. If neither of these requirements is met, a method is not a patent eligible process under §101 and should be rejected as being directed to non-statutory subject matter. Here, with respect to "machine" the process claim should positively recite a machine [i.e. not merely (a) a nominal recitation in the claim preamble, (b) part of an intended use clause or (c) included in optional language, e.g. conditional statement] and said positively recited machine should entail more than merely indicating field of use or dealing with insignificant extra solution activities [i.e. machine should be tied to significant elements/limitations of Applicant's invention, e.g. merely ancillary steps of displaying data *on a computer monitor* or

receiving data from *an input device* would generally be insufficient ties to a machine].

As per Claim 1, said process claim does not positively recite a particular machine.

Further, Applicant does not adequately tie a significant element/limitation to a machine in the body of his/her process claim. Applicant should consider what is “receiving”?, what is “providing”?, what is “establishing”?, what is “acquiring”?, what is “transferring”?, what is “obtaining”?, what is “converting”?, and what is “applying”?.

As per Claims 2-7, 9, & 11-14, said Claims are rejected as they fail to correct the deficiency of Claim 1 above. With reference to Claim 9, Examiner notes that mere recitation of a “system” or “network” is inadequate as it could, reasonably, be broadly interpreted to include a group of people using their mental capacities (i.e. third party loyalty system) and Examiner was unable to find support in Applicant's specification for explicit structure of said system.

As per Claim 15, Examiner points Applicant to the rejection of substantially similar Claim 1 above.

Claim Rejections - 35 USC § 103

Claims 1 & 15 are rejected under 35 U.S.C. 103(a) as being unpatentable over VanLeeuwen [2002/0123949] in view of Non-Patent Literature document entitled "Pay Yourself First Still Works" by Jonathan Chevreau [hereinafter Chevreau] in view of Saylor et al [2004/0111370] and further in view of Davis [2004/0193491].

As per Claim 1, VanLeeuwen ('949) teaches the method as follows:

First, VanLeeuwen ('949) teaches receiving user financial information [paragraph 25, "user is able to input personalized data"], wherein said user financial information includes **at least one of** user income information related to user income [paragraph 72, "user's cash inflow"], user income source information related to user income sources [see paragraph 72, "monthly pay from an employer, investment income..."], user debt information related to user debts to said payees, [paragraph 25, "data input...setting up the bills to be paid" & paragraph 10] and user goal information related to user goals [see paragraph 58, "help them reach their financial goals"];

Next, VanLeeuwen ('949) may not explicitly disclose providing **at least one** recommendation, wherein said recommendation includes paying less than the current bill on a debt. Regardless, VanLeeuwen ('949) does disclose generating "a debt plan and its associated recommendations". [paragraph 24]. In particular, VanLeeuwen ('949) teaches a "method for determining a financial debt that should be paid down first to reduce aggregate financial debt [when] a plurality of financial debts" exist. [see paragraph 10].

VanLeeuwen ('949) discloses that "[w]hen a debt reaches zero balance, [it is identified] as paid in full [and] the system suggests the payment amount to be made to the next debt in the pay-off sequence" [paragraph 38]. Here, VanLeeuwen ('949) provides "what-if

calculations [to] allow the user to apply varying payment amounts and power payments to different debts to determine what the outcome would be” [paragraph 24]. Although the user can enter “the amount of the minimum payment...[i]t is more helpful to have the system calculate the payment [to avoid extending a debt almost indefinitely]”. [see paragraph 45]. As such it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify VanLeeuwen ('949) to specifically include providing at least one recommendation including paying less than the current bill on a debt. Here, to make 'power payments' or more than 'minimum payments' when paying down a particular first debt, one of even ordinary skill would appreciate the recommendation as including paying less than the current bill on one's other debts (i.e. making at least minimum payments). One would have done so to avoid default on one's debts and repercussions of default (i.e. increased interest rates, etc.). VanLeeuwen ('949) provides systems to evaluate the impact of paying more (i.e. what-if, paragraph 24) as well as paying less (paragraph 79).

Next, VanLeeuwen ('949) may not explicitly disclose establishing a payment hierarchy based at least in part on said recommendation, wherein said payment hierarchy includes at least a portion of said user income allocated to said user savings account and a portion of said user income allocated to said user debts. Regardless, VanLeeuwen ('949) teaches "a number of automated planning tools [to] assist a user in financial planning” [paragraph 23]. VanLeeuwen's ('949) “debt plan...aids the user in reducing their debt *and* preparing for retirement" through "recommendations [based on] a time line" [paragraph 24, emphasis added]. Here, VanLeeuwen ('949) teaches a "planned spending module" to analyze/organize "cash inflows, cash outflows" [paragraph 27] "into budget categories" [paragraph 28] where

said spending module provides for not only "present spending" but also "future spending" and "a budget amount [] *is designated for a specific category*" [Id., emphasis added]. In this vein, Chevreau teaches that "one pillar of personal finance that seems to be universally accepted is the concept of "Pay Yourself First" [page 1, paragraph 5, i.e. *1926 book was "built around this not-very-secret of building wealth"*]. In particular, Chevreau contemplates that one is a fool if he/she pays everyone but himself/herself [page 2, paragraph 2]. Here, Chevreau's "central recommendation" is to "commit" to "pay yourself first" [page 2, paragraph 9 & page 3, first line] through "automatic deductions from your [income]. [page 3, paragraph 1, i.e. automatic cash outflow from income source]. Similarly, Saylor's ('370) teaches a "money management system" to automate "committed spending" [Abstract] as a means to "save" [paragraph 60] through "automatic payroll deductions" [paragraph 10]. Further, "the customer is allowed to decide the priority of his deductions [and] certain payments may be designated as priority payments [paragraph 69]. Further, if there are insufficient funds available, said customer may indicate "whether a partial payment or no payment should be made toward [a] deduction" [Id.]. With this background, VanLeeuwen ('949) teaches sequencing disbursements in efforts to meet one's goals [paragraph 11, "ranking" of debts to be paid down]. As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify VanLeeuwen ('949) to include a payment hierarchy recommendation including at least a portion of said user income as allocated to a savings account and a portion of said user income as allocated to user debts. One would have done so given that "pay yourself first [is an] idea [] literally as old as the hills of Babylon" [Chevreau,

page 2, paragraph 9]. Further, the fact that one may be "heavily in debt" is "no excuse to delay the [pay yourself first] program" since it "critical [that] debt repayment must proceed in parallel with saving" [Chevreau, page 3, paragraph 4]. VanLeeuwen ('949) would desire such a parallel debt reduction and savings arrangement to not only repay debt, but also to adequately prepare for "high priority future spending" and/or "retirement needs" [paragraph 29]. In particular, users would be motivated to "define monthly funding amounts" [paragraph 30] for such categories because a time line is involved (i.e. want to retire by a certain year) and "the months remaining to fund" [paragraph 36] may be inadequate to meet one's goals if money is not automatically allotted (i.e. given priority and taken out first before other expenses, etc.)

Next, VanLeeuwen ('949) teaches acquiring user income [see paragraph 25, "bill presentment and payment system", user can set up "payment preferences [and] the bills to be paid". Uncontested by Applicant, one of skill in the art would appreciate that this requires control of user income through the "establish[ed] bank account[s]"

Alternatively, Saylor ('370) teaches its money management system as "receiv[ing] money on a periodic basis from a customer's predictable payment system" (Abstract)].

Next, VanLeeuwen ('949) teaches transferring at least a portion of said user income, based at least in part upon said payment hierarchy, to **at least one of** said user savings account and said payees [see paragraph 26, "integrated bill presentment and payment system" in accordance with the "planned spending budget"];

Next, VanLeeuwen ('949) teaches providing loyalty points to **at least one of** (i) said user, (ii) at least one of said user income sources and (iii) at least one of said payees [see paragraphs 31,

“incentive to help them (e.g. users) save money” & “awards points”, parenthetical added].

However, VanLeeuwen ('949) does not explicitly disclose wherein said step of acquiring user income includes obtaining information related to user loyalty points, converting said user loyalty points to a currency value, and applying said currency value to said user savings account. Regardless, Davis ('491) teaches a method of promoting savings through the conversion of “award or loyalty points for deposit into a savings vehicle” [paragraph 2 & paragraph 27, “conversion” & paragraph 39]. Here, Davis ('491) translates these points into an “award certificate” [paragraph 25], and the “value of the certificate [may be] directed into an account specified by the [user].” [paragraph 26]. Said certificate is “purchased” by “sending the transaction information (e.g. information related to user loyalty points)” to a printing facility” [paragraph 28]. As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify VanLeeuwen ('949) to include recognition of loyalty points as “income” and acquiring their value for application to a savings account via conversion means. One would have done so given the reality of “user accrual of “tens or hundreds of thousands of loyalty points through a myriad [of] loyalty rewards programs” [Davis ('491), paragraph 3]. Uncontested by Applicant, one of skill in the art would appreciate loyalty points as merely another asset of the user which should be utilized in his/her budgeting/debt payment program. [VanLeeuwen ('949), paragraph 72, “miscellaneous sources”]. Further, VanLeeuwen ('949) supports the application of “awards points” to supplement “future savings plans.” [see paragraph 31]. Here, (1) loyalty conversion and application to a savings vehicle was known [e.g.

see Davis ('491)] and budgeting for savings was known [e.g. see VanLeeuwen ('949)], (2) the technical ability exists to combine these as claimed and the results of the combination are predictable, and (3) when combined, they perform the same function as they would separately.

As per Claim 15, Examiner points Applicant to the logic and evidence as discussed with respect to substantially similar Claim 1 above.

However, VanLeeuwen ('949) may not explicitly disclose providing **at least one** recommendation, wherein said recommendation includes suggestions for minimizing user debt payments and maximizing user savings. Regardless, VanLeeuwen ('949) teaches "a debt plan and its associated recommendations." [paragraph 24]. Here, previously uncontested by Applicant (i.e. previous Claim 1), Examiner noted that most debt management plans ultimately aim, in the long run, to minimize debt payments and maximize savings. As such it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify VanLeeuwen ('949) to include providing at least one recommendation including suggestions for minimizing user debt payments and maximizing user savings. One would have done so in view of limited time lines for saving (i.e. if close to retirement, accelerated savings would be required) as well as "pay yourself first" principles as discussed in Claim 1 above. Further, VanLeeuwen ('949) would desire such suggestions because it "encourag[es users] to consider and plan for several categories of future spending" [paragraph 29] in addition to "debt reduction".

Lastly, VanLeeuwen ('949) does not explicitly disclose wherein said payment hierarchy includes at least one user identified bill that is to be paid before a portion of said user income is transferred to said user savings account and at least one user identified bill that is to be paid after a portion of said user

income is transferred to said user savings account. Regardless, Saylor ('370) as mentioned in Claim 1 above, teaches a money management system where a user can set priority of deductions from his/her account [see paragraph 69]. Further, Saylor ('370) teaches that its invention would "take into consideration any payroll processor rules, state laws, and/or federal laws that dictate which (if any) options may be available to the customer" [Id.] In this vein, Examiner asserts that known laws regarding garnishment of income and ordered payment of child support, etc. would take priority over customer preferences of disbursement. As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify VanLeeuwen ('949) to include said payment hierarchy as including at least one user identified bill that is to be paid before a portion of said user income is transferred to said user savings account (i.e. garnishment, child support) and at least one user identified bill that is to be paid after a portion of said user income is transferred to said user savings account (i.e. all bills without the indication of priority). Here, "certain payments may be designated as priority payments" [Saylor ('370), paragraph 69, e.g. loan account, by law, etc.], thus distribution would occur before other discretionary disbursements. Further, in line with Claim 1 above, transfers to savings are encouraged to occur regardless of one's debt situation [see Chevreau, page 3, paragraph 4, "heavily in debt...no excuse"]. Here, "expenses will always grow to equal our income unless we protest to the contrary" [Id., page 2, paragraph 4] and "adapt to [such] automatic deductions..." [Id., page 3, paragraph 1] and avoid becoming "struggling 21st century workers who 'just can't seem to save'" [Id, page 2, paragraph 2].

Claims 2-7 are rejected under 35 U.S.C. 103(a) as being unpatentable over VanLeeuwen [2002/0123949] in view of NPL [Chevreau] in view of Saylor et al [2004/0111370] in view of Davis [2004/0193491], as applied in Claim 1 above, and further in view of Ogilvie [6,631,358].

As per Claim 2, VanLeeuwen ('949) as modified teaches the method of Claim 1 above.

However, VanLeeuwen does not explicitly disclose **providing** loyalty points based upon **at least one of** said acquiring step and said transferring step. Regardless, VanLeeuwen ('949) does disclose offering an incentive in response to "progress the user is making...on the debt reduction program." [see paragraph 31]. Here, uncontested by Applicant, Examiner previously noted that to make 'progress', it necessarily involves the acquiring of income and the transfers of value in paying off debts, etc, in line with the recommendation or hierarchy disclosed. In this vein, Ogilvie ('358) teaches a method of "directing funds on behalf of a customer to a specified account (e.g. savings) as a beneficial side effect of a transaction that is primarily directed toward another goal (e.g. paying a bill)..." [Abstract, parentheticals added]. Here, per an agreement "a specified percentage of the transaction or a flat amount" is derived [see Abstract] and Ogilvie ('358) suggests that other "rewards programs" permit deposits in savings [column 1, lines 58 & 62]. Here, Examiner previously asserted, uncontested by Applicant, that in view of Davis ('491), loyalty points are merely another type of a 'rewards program' that represents monetary value for transfer to an account. As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify VanLeeuwen ('949) and Davis ('491) to include providing loyalty points in response to transactions (cash flows) through at least one of the acquiring income or transferring income step. One would have

done so because "it is difficult to set aside funds for savings when so many other uses compete for those funds." [Ogilvie ('358), column 1, line 25]. In addition, loyalty points would "provide the encouragement the user needs to continue on the debt reduction program" [VanLeeuwen ('949), paragraph 31]. Lastly, a transaction amount (whether an acquired amount or a transferred amount) is a certain, tangible number that entities have access to and from which such incentives can be determined.

As per Claim 3, VanLeeuwen ('949) as modified teaches the method of Claim 1 above.

However, VanLeeuwen ('949) does not explicitly disclose providing loyalty points based upon said transferring step, wherein said transferring step transfers said user income to said user savings in such an amount which is substantially equal to said user goal. Regardless, uncontested by Applicant, basing loyalty points on a "transfer" transaction is an obvious variant under the logic and evidence of Claim 2 above. Further, the point of the debt management method of VanLeeuwen ('949) is to reach financial goals [see paragraph 72] and accommodate "future planning" needs (i.e. savings) [see paragraph 29]. An incentive, by definition, provides motivation to conform to certain action (i.e. adhere to the plan). As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify VanLeeuwen ('949) to include providing loyalty points, in response to transfers "substantially equal to said user goal" to "provide encouragement...[in] the debt reduction program" [paragraph 31].

As per Claim 4, VanLeeuwen ('949) as modified teaches the method of Claim 1 above.

However, VanLeeuwen ('949) does not explicitly disclose providing loyalty points based upon said transferring step, wherein said transferring step transfers said user income to said user savings in substantial compliance with said payment hierarchy. Regardless, uncontested by Applicant,

basing loyalty points on a “transfer” transaction is an obvious variant under the logic and evidence of Claim 2 above. Further, the debt management method of VanLeeuwen (‘949) encourages adherence to a ranking/hierarchy to not only “reduce a person’s overall financial debt” [see paragraph 11] but also to accommodate “anticipate[d] future spending needs” [see paragraph 29]. An incentive, by definition, provides motivation to conform to certain action (i.e. adhere to the plan). As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant’s invention, to modify VanLeeuwen (‘949) to include providing loyalty points, in response to “said user savings” transfers “in substantial compliance with said payment hierarchy” to “provide encouragement...[in] the debt reduction program” [paragraph 31].

As per Claim 5, VanLeeuwen (‘949) as modified teaches the method of Claim 1 above.

However, VanLeeuwen (‘949) does not explicitly disclose providing loyalty points based upon said transferring step, wherein said transferring step transfers said user income to said user debts in substantial compliance with said payment hierarchy. Regardless, uncontested by Applicant, basing loyalty points on a “transfer” transaction is an obvious variant under the logic and evidence of Claim 2 above. Further, the debt management method of VanLeeuwen (‘949) encourages adherence to a ranking/hierarchy to not only “reduce a person’s overall financial debt” [see paragraph 11] but also to accommodate “anticipate[d] future spending needs” [see paragraph 29]. An incentive, by definition, provides motivation to conform to certain action (i.e. adhere to the plan). As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant’s invention, to modify VanLeeuwen (‘949) to include providing loyalty points, in response to “said user debt”

transfers “in substantial compliance with said payment hierarchy” to “provide encouragement...[in] the debt reduction program” [paragraph 31].

As per Claim 6, VanLeeuwen ('949) as modified teaches the method of Claim 1 above.

However, VanLeeuwen ('949) does not explicitly disclose providing loyalty points based upon said transferring step, wherein said transferring step transfers a certain amount of said user income to said user debts, wherein said certain amount is a minimum amount due for said user debts. Regardless, uncontested by Applicant, basing loyalty points on a “transfer” transaction is an obvious variant under the logic and evidence of Claim 2 above. Further, VanLeeuwen ('949) teaches the user option of transferring a certain amount comprising the “minimum payment” for user debts. [see paragraph 45, Examiner asserts that a system suggested payment amount could equal the minimum payment (see Claim 1 above)]. As such, it would have been obvious to one of ordinary skill in the art at the time of Applicant’s invention, to modify VanLeeuwen ('949) to include providing loyalty points based on the transfer of a certain amount, comprising the minimum amount due for said user debts. One would have done so given that VanLeeuwen ('949) specifically contemplates the option of making only the minimum payment [see paragraph 45] as well as “provid[ing] encouragement” through incentives [paragraph 31]. Here, one of skill in the art would appreciate rewarding a desired action (e.g. paying a minimum amount) with loyalty points (i.e. this is the quid pro quo of incentive systems as known to even one of ordinary skill).

As per Claim 7, VanLeeuwen ('949) as modified teaches the method of Claim 1 above.

However, VanLeeuwen ('949) does not explicitly disclose providing loyalty points based upon

said transferring step occurring automatically without user approval. Regardless, uncontested by Applicant, basing loyalty points on a “transfer” transaction is an obvious variant under the logic and evidence of Claim 2 above. Here, VanLeeuwen (‘949) teaches that transfers can occur without user approval. [see paragraph 26, “can be setup [sic] for manual bill approval by the user [OR] setup [sic] to forward all bills directly to a remote location for processing.”]. As such it would have been obvious to one of ordinary skill in the art, at the time of Applicant’s invention, to modify VanLeeuwen (‘949) to include providing loyalty points based on the automatic transfer of money. One would have done so to avoid the inefficient/costly procedures and practical delay of requesting user approval for every transaction. Here, one of skill in the art would appreciate rewarding a desired action (e.g. authorizing automatic transfers) with loyalty points (i.e. this is the quid pro quo of incentive systems as known to even one of ordinary skill).

Claims 9, 11 & 12 are rejected under 35 U.S.C. 103(a) as being unpatentable over VanLeeuwen [2002/0123949] in view of NPL [Chevreau] in view of Saylor et al [2004/0111370] in view of Davis [2004/0193491], as applied in Claim 1 above, and further in view of in view of Postrel (6,594,640).

As per Claim 9, VanLeeuwen (‘949) as modified teaches the method of Claim 1 above.

However, VanLeeuwen (‘949) does not explicitly disclose wherein said information related to user loyalty points is maintained in a third party loyalty system. Regardless, Postrel (‘640) discloses the retrieval of third party loyalty points from another system and the conversion of them to a currency value. [see column 4, lines 9-10 & 13-16 & column 6,

lines 44-46]. Specifically, Postrel ('640) teaches exchanging "a number of reward points" for "consideration" [column 4, lines 13-16] with the third party, where the "consideration may be in the form of a monetary credit. [see column 6, lines 44-46]. As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify VanLeeuwen ('949) to include obtaining conversion information for the computation of the currency value of loyalty points from third party loyalty systems. One would have done so given that loyalty methods, such as VanLeeuwen ('949), contemplate the involvement of [p]artnerships with other providers or retail outlets" [VanLeeuwen ('949), paragraph 31]. Similarly, Davis ('491) contemplates users "accruing...tens or hundreds of thousands of loyalty points through a myriad of...loyalty rewards programs. [Davis ('491), paragraph 3]. VanLeeuwen (949) would benefit from such retrieval from third party systems through the consolidation of these 'assets' for its budgeting and debt reduction program.

As per Claim 11, VanLeeuwen ('949) as modified teaches the method of Claim 1 above.

However, VanLeeuwen ('949) does not explicitly disclose a third party providing loyalty points to at least one of (i) said user, (ii) at least one of said user income sources and (iii) at least one of said payees. Regardless, both Postrel ('640) and Davis ('491) disclose that third parties provide loyalty points [see Postrel ('640) Abstract, "plurality of independent reward points issuing entities" & Davis ('491) paragraph 3, "myriad [of] loyalty rewards programs"]. As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify VanLeeuwen ('949) to include a third party providing loyalty points to a user, income sources, or payees involved. Here,

VanLeeuwen ('949), contemplates "partners that provide cash back (mere form of "loyalty points", given a conversion rate) on purchases a user makes." [see VanLeeuwen ('949), paragraph 32]. An incentive, by definition, provides motivation to conform to certain action. This is true, regardless of the party being encouraged. VanLeeuwen ('949) would benefit from third party loyalty points "to provide encouragement the user needs to continue on the debt reduction program" [VanLeeuwen ('949), paragraph 31]. As per Claim 12, VanLeeuwen ('949) as modified teaches the method of Claim 1 above.

However, VanLeeuwen ('949) does not explicitly disclose a third party providing loyalty points to at least one of (i) said user, (ii) at least one of said user income sources and (iii) at least one of said payees based upon said transferring step, wherein said transferring step transfers user income to a user savings account maintained by said third party. Regardless, both Postrel ('640) and Davis ('491) disclose that third parties provide loyalty points [see Postrel ('640) Abstract, "plurality of independent reward points issuing entities" & Davis ('491) paragraph 3, "myriad [of] loyalty rewards programs"]. In this vein, an incentive, by definition, provides motivation to conform to certain action. This is true, regardless of the party being encouraged.

Uncontested by Applicant, it is good business sense that an investor would prefer to transfer money to a savings account maintained by a third party offering loyalty point incentives over one that does not. Here, uncontested by Applicant, one of ordinary skill in the art would appreciate the motivations (e.g. use of deposited capital for liquidity, investment, etc.) a third party account holder (e.g. bank) would have to desire the transfer of funds to their held user's savings account. As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify VanLeeuwen ('949) to include a third party, maintaining a user savings account, providing loyalty

points to another party in response to a transaction to said savings account. One would have been motivated to do so given that VanLeeuwen ('949), contemplates "partners that provide cash back (mere form of "loyalty points", given a conversion rate) on [transactions a] user makes." [see paragraph 32]. VanLeeuwen ('949) would desire third party loyalty points to "encourage the user...to continue on the debt reduction program" [paragraph 31] as well as lessen the costs of offering loyalty points on the debt reduction system (e.g. offering loyalty points with currency value ultimately reduces revenues when the points are redeemed).

Claim 13 is rejected under 35 U.S.C. 103(a) as being unpatentable over VanLeeuwen [2002/0123949] in view of NPL [Chevreau] in view of Saylor et al [2004/0111370] in view of Davis [2004/0193491], as applied in Claim 1 above, and further in view of in view of Brose [2005/0004856].

As per Claim 13, VanLeeuwen ('949) as modified teaches the method of Claim 1 above.

However, VanLeeuwen ('949) does explicitly disclose wherein probability modeling is used to facilitate said step of providing at least one recommendation. Regardless, Brose ('856) teaches "facilitating financial advising and planning for a user using a stochastic modeling module...integrat[ing] a user's goals, assets, savings...to facilitate analyzing and developing a customized strategy for financial [] planning of the user." [see Abstract].

As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify VanLeeuwen ('949) to include probability modeling to facilitate providing at least one recommendation. One would have been motivated to do

so for efficiency in assessing financial outcomes given a set of inputs. VanLeeuwen ('949) would desire probability modeling to inform users of a potential outcome given adherence to its hierarchy and terms (i.e. informed decision making).

Claim 14 is rejected under 35 U.S.C. 103(a) as being unpatentable over VanLeeuwen [2002/0123949] in view of NPL [Chevreau] in view of Saylor et al [2004/0111370] in view of Davis [2004/0193491], as applied in Claim 1 above, and further in view of Chandak et al [2003/0105689].

As per Claim 14, VanLeeuwen ('949) as modified teaches the method of Claim 1 above.

However, VanLeeuwen ('949) does not explicitly disclose wherein loyalty points are provided to said user when less than the full amount of a bill on a debt is paid. Regardless, Chandak ('689) teaches "customer[s] accumul[at]ing reward points based on payments received by [a creditor]" where said creditor "may adjust the number of reward points...based on...the amount of payment received" [Id. & paragraph 29, "award X [] number of reward points for every one dollar o payment received" & "adjust number of reward points [based on]...the amount of a received payment in relation to a minimum payment"]. As such, it would have been obvious to one of ordinary skill in the art, at the time of Applicant's invention, to modify Chandak ('689) to include providing loyalty points when said user pays less than the full amount of a bill of a debt. One would have done so given that creditors want to "attract or retain customers" [paragraph 5]. Further, it is known that "the cardholder will have the option to either fully pay the outstanding balance or, as a matter of necessity or choice, defer at least a portion of [sic] the balance for later payment

with accompanying interest or finance charges for the period during which payment of the outstanding debt is deferred [Chandak ('689), paragraph 4]. Here, under a basic cost/benefit approach, a creditor still benefits if the cost of the incentive is outweighed by any accrued beneficial interest and/or finance charges. Creditors want to ensure that they make money on interest/financing charges of carried balances (i.e. similar reasoning for pre-payment penalties). Alternatively, a customer may be “a high financial risk” [Chandak ('689), paragraph 29] and such an incentive is a way to encourage the payment of at least the minimum payment.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to John D. Scarito whose telephone number is (571) 270-3448. The examiner can normally be reached on M-Th (7:30-5:00), Alternate F (7:30-4:00).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Thomas Dixon can be reached on (571) 272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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/John D. Scarito/
Examiner, Art Unit 3696

/Frantzy Poinvil/
Primary Examiner, Art Unit 3696